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IN THE

Supreme Court of the United States

October Term, 1972.

No. 72-294.

L. GOLDSTEIN'S SONS, INC.,
Petitioner,

v.

TRIO PROCESS CORPORATION,
Respondent.

PETITIONER'S REPLY BRIEF TO RESPONDENT'S BRIEF IN OPPOSITION.

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THERE IS A CLEAR AND DIRECT CONFLICT IN THE FEDERAL COURTS AS TO RESTORATION OF REJECTED AND ABANDONED PATENT CLAIMS.

In its Brief in Opposition (p. 7) Respondent takes the position that "This case presents nothing more than the application of well settled principles . . .". We submit that the principles relating to the field of patent file wrapper estoppel are far from well settled in view of the departure of a minority of the Courts of Appeals from the principles established by the United States Supreme Court.

The principles applicable to file wrapper estoppel were set forth by this Court over thirty years ago in the following language:

> "Where the patentee in the course of his application in the patent office has, by amendment, cancelled or surrendered claims, those which are allowed are to be read in the light of those abandoned and an abandoned claim cannot be revived and restored to the patent by reading it by construction into the claims which are allowed." *Schriber Co. v. Cleveland Trust Co.*, 311 U. S. 211, 218 (1940).

In spite of this clear statement of the law, the Court of Appeals in the present case revived and restored to the patent in suit claims which the patentee had amended, cancelled and abandoned. In doing so, it joined a minority of the Courts of Appeals which has created an exception to the Supreme Court rule of *Schriber*, an exception which has all but emasculated the rule. The conflict between the Supreme Court and the majority on the one hand and the minority on the other is clear and obvious from a direct comparison of the published opinions relating to the application of the rule of file wrapper estoppel:

Majority	*Minority*
"If an applicant who accedes to a demand based on the prior art is thereafter estopped to contest its necessity, he should equally be estopped to deny the correctness of a demand for which some other reason is given." *Borg-Warner Corporation v. Paragon Gear Works, Inc.*, 355 F. 2d 400, 406 (C. A. 1, 1965)	"By redrafting or abandoning a claim in the face of a prior art rejection, the patentee is conceding that he has not invented what he thereby disclaims, and therefore will not be heard to assert, at a later date, what he disclaimed as his invention. Accordingly, for 'file-wrapper estoppel' to become operable, it is necessary, at the least, that a claim have been narrowed to avoid the prior art." *Trio Process Corporation v. L. Goldstein's Sons, Inc.*, 461 F. 2d 66, 75 (C. A. 3, 1972)

It will thus be seen that the application of the *Schriber* principle is far from well settled. The plain fact is that there is such confusion and conflict between the Courts of Appeals in this important phase of patent law as to introduce a serious element of unpredictability. In the uncertainty now existing in the various Courts of Appeals the only thing well settled in this troubled field is that there is conflict and disagreement as to the application of the principle of file wrapper estoppel in patent cases. The present case illustrates the dangers inherent in permitting such direct conflicts to continue. Patent claims which would be held not infringed in at least six of the Federal Circuits are somehow willfully infringed in the Third Circuit. Patent infringement or non-infringement thus turns on acci-

dents of geography and a defendant may unwittingly become a willful infringer. Surely, conflicts between the Courts of Appeals leading to anomalous results such as this should be resolved by the United States Supreme Court in the interest of justice, uniformity and in protection of the public interest for, in the end, it is the public that suffers when the law is uncertain and particularly in the field of patent infringement where "the known certainty of the law" should operate to protect the public.

THERE IS NO LITERAL INFRINGEMENT OF ANY OF THE CLAIMS IN THE PRESENT CASE AND NO HOLDING TO SUCH EFFECT.

In its Brief in Opposition (p. 8), Respondent asserts that the finding of the Court of Appeals as to infringement, while based on the application of the doctrine of equivalents, could have been based on a finding of literal infringement. The fatal defect in this argument is that the Court of Appeals not only reached its conclusion on infringement by application of the doctrine of equivalents but recognized the necessity of relying upon the doctrine of equivalents. The Court of Appeals stated its position and also Respondent's position as follows:

> "Trio asserts that it is immaterial whether the pile is ignited before or after superimposition of the furnace, *and that the conclusion of the district court is therefore correct under* the doctrine of equivalents."* *Trio Process Corporation v. L. Goldstein's Sons, Inc.*, 461 F. 2d 66, 74 (C. A. 3, 1972)

By way of confirming that it was basing its finding of infringement on application of the doctrine of equivalents, the Court said:

> "*Unless Trio is barred from asserting the doctrine of equivalents** because of 'file wrapper estoppel', the conclusion that the patent was infringed must be affirmed." (*supra* p. 75)

Having successfully persuaded the Court of Appeals to apply the doctrine of equivalents, Respondent now seeks to avoid inquiry by the Supreme Court into the conflict of the courts on file wrapper estoppel by turning away from its original theory to an alleged "literal infringement" theory which is completely lacking in any support either in the decision of the District Court, or in the decision of the Court of Appeals, or in the facts of the case. Indeed, according to the inventor's testimony, claim 1, like claims 3 and 4, recites a series of steps in the sequence in which they are intended to be performed. Petitioner's process admittedly does not employ this sequence. It would seem that Respondent should support the theory which it urged below and which the Court of Appeals adopted, rather than to now suggest that the Court might have acted on an entirely different theory. At all events, Respondent's abandonment of the theory relied upon by it and the Court of Appeals can have no bearing on the question now before this Court on the present petition since the question here is whether the Court of Appeals erred in its application of the doctrine of equivalents, not whether it might have applied some other theory. We contend the Court was in error and that its decision should be reversed.

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* Emphasis added

THE STATUTORY PRESUMPTION OF VALIDITY IS NOT APPLICABLE TO CLAIMS REJECTED BY THE PATENT OFFICE, ABANDONED BY THE PATENTEE AND LATER SOUGHT TO BE RESTORED BY CONSTRUCTION OF THE CLAIMS AS ALLOWED.

Respondent in its Brief in Opposition and the Court of Appeals in its opinion rely heavily on the proposition that the statutory presumption of validity has not been overcome in the present case. In doing so, both Respondent and the Court of Appeals have failed to recognize the fact that the Patent Office consistently rejected claims corresponding to the claims as restored by construction by the Court of Appeals. The presumption of validity extends no further than the claims as the Patent Office allowed them in the issued patent. In fact, the presumption should be the other way as to claims rejected by the Patent Office and abandoned by the patentee. Surely, Congress did not intend that this section of the Patent Statute would empower a court to construe allowed patent claims in such manner as to restore matter that has been rejected and abandoned and at the same time hold that claims thus restored are presumptively valid.

We submit there is grave error in the present case in applying the statutory presumption of validity to patent claims which the Court has expanded by construction to encompass what the Patent Office held, and the inventor by narrowing his claims has conceded, to be unpatentable. Legislation which was designed to support the Patent Office as to the validity of claims issued by it is being used in the present case to overturn the Patent Office holding as to what was not patentable.

In view of all of the circumstances of this case, the finding of willful infringement as a matter of law is clearly in error for the following reasons:

1. Petitioner consulted patent counsel before proceeding and was advised that the prior art stood in the way of patentability.

2. The District Court concurred in this opinion of invalidity.

3. The Court of Appeals found infringement only by applying an incorrect view as to the application of the doctrine of equivalents and file wrapper estoppel in a field where even the courts are in sharp disagreement.

4. What the Patent Office rejected and plaintiff cancelled, the Court of Appeals has now, by construction, erroneously restored. As a matter of law and common sense, it would seem to be impossible to infringe willfully claims thus construed to cover rejected and abandoned subject matter.

5. The District Court's finding of willful infringement as a conclusion of law, coupled as it was, with a finding of patent invalidity was in error because it is not possible to infringe an invalid patent claim either willfully or otherwise.

6. Where a holding of patent infringement is unpredictable, the element of willfullness is not supplied by contesting validity.

As stated by the Court of Appeals for the Sixth Circuit in *Enterprise Mfg. Co. v. Shakespeare Co.*, 141 F. 2d 916, 920 (C. A. 6, 1944):

> "To question the validity of a patent does not, of itself, constitute wilful infringement."

In the present case Petitioner successfully contested validity of the patent in the District Court. It was not until the

Court of Appeals by construction restored the rejected and abandoned claims and held them presumptively valid that any basis existed for a holding of infringement. We submit it is error to characterize such an unpredictable "infringement" as willful.

CONCLUSION.

The Court of Appeals decision in the present case is in conflict with a majority of the other Federal Courts of Appeals and with this Court. It is also in error in its conclusions of law as regards patent validity, infringement and willfullness. To resolve these conflicts and to correct these errors, the Petition for Writ of Certiorari should be granted.

Respectfully submitted,

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